

September 10, 2021

Owners of  
Cascades in Royal Oak Residents Association  
Calgary, Alberta

Dear Owners:

**Re: Notice of 2020/2021 Annual General Meeting**

We wish to advise that the 2020/2021 Annual General Meeting of Cascades in Royal Oak Residents Association will be held on, **Monday, September 27, 2021, at 6:30 p.m. at the Royal Oak Victory Church – 450 Royal Oak Drive NW, Calgary, Alberta; registration will begin at 6:00 p.m.**

Please find enclosed the following information for your records:

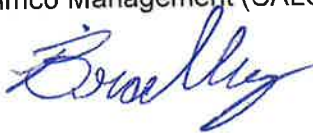
1. Notice of 2020/2021 Annual General Meeting
2. Agenda and Proxy
3. 2021 Audited Financials

Please note the Draft 2018/2019 Annual General Meeting minutes and 2020 Audited Financials were sent with the AGM deferral notice dated January 7, 2021.

All Cascades in Royal Oak Residents Association fees are required to be paid prior to the meeting date in order for your voting rights to not be affected.

If you are unable to attend the meeting, please complete the enclosed Proxy Form and send it along with the person who will represent you at the meeting. This will help ensure there is a quorum present to allow the meeting to proceed. **Note: your fees need to be paid in full and you must be a registered owner to be eligible to vote and/or hold a Board position.**

Yours truly,  
The Cascades in Royal Oak Residents Association  
By it's authorized agent,  
Simco Management (CALGARY) Inc.



JASMIN BRADLEY  
Condo Division Team Manager, Property Manager  
Email: jasmin@simcomgt.com

Enclosure

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION  
2020/2021 ANNUAL GENERAL  
MEETING CALGARY, ALBERTA**

Notice is hereby given that the 2020/2021 Annual General Meeting will be held at the time, date and place as stated hereunder:

**DATE:** Monday, September 27, 2021

**LOCATION:** Royal Oak Victory Church  
450 Royal Oak Drive NW  
Calgary, Alberta

**REGISTRATION:** To commence at 6:00 p.m.

**MEETING TIME:** 6:30 p.m.

**AGENDA**

1. Call to Order
2. Establish Quorum
3. Proof of Notice of Meeting
4. Meeting General Conduct and Voting Rules
5. Approval of the 2018/2019 Annual General Meeting Minutes
6. President's Report
7. Auditor's Report & Financial Statements
8. Appointment of Auditor
9. Call for Nomination of the Board
10. Election of Board of Directors
11. Q&A Time
12. Adjournment

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION- PROXY**  
**2020/2021 ANNUAL GENERAL MEETING**  
**On Monday, September 27, 2021 AT 6:30 p.m.**  
**Location: Royal Oak Victory Church**  
**450 Royal Oak Drive NW, Calgary, Alberta**

The undersigned owner in CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION (the "Corporation") constitutes and appoints:

**Blair Roche**, Incumbent President and Director of the Corporation,  
**Or**

**instead of** the above the undersigned owner appoints the following person:

\_\_\_\_\_ of \_\_\_\_\_  
(print full name of proxy) (print address and telephone number of proxy)

as proxy for the undersigned, with power of substitution, to attend the meeting and:

**Please initial one of the following boxes to establish your proxy's rights and authority at the meeting.**

***This proxy will not be valid unless one of these boxes is initialed***

to act and vote on behalf of the undersigned at the annual general meeting of the Corporation to be held on the 27<sup>th</sup> day of September, 2021, and at any adjournment or adjournments of such meeting, in the same manner, to the same extent and with the same power as if the undersigned were present in respect of any matters that validly come before the meeting;

or

to attend the annual general meeting of the Corporation to be held on the 27th day of September, 2021, and at any adjournment or adjournments of such meeting, **only** for the purpose of establishing quorum at the meeting and such proxy shall not be entitled to vote on any matters that come before the meeting.

This proxy form must be signed by the owner(s), or his or her attorney authorized in writing, or, if the owner is a corporation, under its corporate seal and by an officer or attorney duly authorized by such corporation, and must be received at the offices of **SIMCO MANAGEMENT (CALGARY) INC. by mail to #2478 91 Avenue S.E., Calgary, AB T2C 5H3, by fax to 403-234-0172, or by email to [jasmin@simcomgt.com](mailto:jasmin@simcomgt.com)** not less than seventy-two (72) hours (excluding Saturdays, Sundays and statutory holidays) before the meeting or any adjournment of the meeting.

**THIS PROXY IS SOLICITED AT THE DIRECTION OF THE BOARD OF DIRECTORS. AN OWNER HAS THE RIGHT TO APPOINT A PERSON TO REPRESENT HIM OR HER AT THE MEETING OTHER THAN ONE OF THE PERSONS LISTED ABOVE AND MAY EXERCISE SUCH RIGHT BY INSERTING THE NAME OF SUCH PERSON (WHO NEED NOT BE A OWNER) IN THE BLANK SPACE PROVIDED ABOVE IN THIS FORM OF PROXY.**

The undersigned revokes any instrument of proxy previously given and ratifies and confirms all that the person indicated above may do by virtue of this proxy.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Signature of Owner

\_\_\_\_\_  
Signature of Owner

\_\_\_\_\_  
Name of Owner (please print)

\_\_\_\_\_  
Name of Owner (please print)

\_\_\_\_\_  
Unit Number/Unit Factor

\_\_\_\_\_  
Unit Number/Unit Factor

\_\_\_\_\_  
Unit Number/Unit Factor

\_\_\_\_\_  
Unit Number/Unit Factor

CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION

FINANCIAL STATEMENTS

MARCH 31, 2021

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION**  
**MARCH 31, 2021**

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# Hyde & Hull LLP

Chartered Professional Accountants

104C, 9705 Horton Road SW, Calgary, Alberta T2V 2X5

Bus: (403) 209-3881 Fax: (403) 209-3815

## INDEPENDENT AUDITOR'S REPORT

**To The Members:**

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION**

**Opinion:**

We have audited the accompanying financial statements of **Cascades In Royal Oak Residents Association**, which comprise the statement of financial position as at **March 31, 2021** and the statements of operations and operating fund surplus, reserve fund and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Cascades In Royal Oak Residents Association** as at **March 31, 2021** and its financial performance and its cash flows for the year then ended in accordance with Canadian Accounting Standards for a Not-For-Profit Organization.

**Basis for Opinion:**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements:**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Accounting Standards for a Not-For-Profit Organization, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

**Auditor's Responsibility for the Audit of the Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

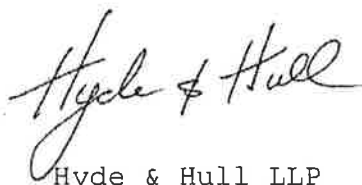
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of managements's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financials, including the disclosures, and whether the financials statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Alberta  
September 1, 2021



Hyde & Hull LLP  
Chartered Professional Accountants

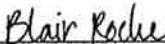
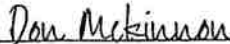
**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION  
STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2021**

	Operating Fund	Reserve Fund	Total	
	\$	\$	2021	2020
			\$	\$
<b><u>ASSETS</u></b>				
<b>Current</b>				
Cash	151,713	250,165	401,878	358,992
Investments (Note 3)	-	26,190	26,190	20,625
Accounts Receivable	9,027	-	9,027	71,355
GST Receivable	3,243	-	3,243	2,133
Prepaid Expenses	2,632	-	2,632	1,814
	<u>166,615</u>	<u>276,355</u>	<u>442,970</u>	<u>454,919</u>
 <b><u>LIABILITIES</u></b>				
<b>Current</b>				
Accounts Payable And Accrued Liabilities	3,525	-	3,525	5,830
Prepaid Fees	-	-	-	5,532
	<u>3,525</u>	<u>-</u>	<u>3,525</u>	<u>11,362</u>
<b>NET ASSETS</b>	<u>163,090</u>	<u>276,355</u>	<u>439,445</u>	<u>443,557</u>

**NET ASSETS REPRESENTED BY:**

Operating Fund Surplus	163,090	-	163,090	150,688
Reserve Fund	-	276,355	276,355	292,869
	<u>163,090</u>	<u>276,355</u>	<u>439,445</u>	<u>443,557</u>

APPROVED BY THE BOARD:

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**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION  
STATEMENT OF OPERATIONS AND OPERATING FUND SURPLUS  
FOR THE YEAR ENDED MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
	\$	\$
<b>REVENUE</b>		
Membership Fees	169,200	167,726
Less: Reserve Fund Contribution	<u>12,005</u>	<u>15,015</u>
	157,195	152,711
Interest And Other Income	<u>9,468</u>	<u>11,650</u>
	<u>166,663</u>	<u>164,361</u>
<b>EXPENSES</b>		
Administration And Website	12,976	11,257
Bank Charges	218	1,462
Community Events	1,564	3,326
Electrical Repairs	382	-
Utilities	11,741	11,920
Insurance	2,721	2,720
Irrigation	2,131	4,361
Landscaping And Snow Removal	71,149	81,960
Management Fees	44,832	30,623
Professional Fees	6,547	2,849
Seasonal Lighting	<u>-</u>	<u>4,013</u>
	<u>154,261</u>	<u>154,491</u>
<b>EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR</b>	12,402	9,870
<b>OPERATING FUND SURPLUS, beginning of year</b>	<u>150,688</u>	<u>140,818</u>
<b>OPERATING FUND SURPLUS, end of year</b>	<u>163,090</u>	<u>150,688</u>

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION**  
**STATEMENT OF RESERVE FUND**  
**FOR THE YEAR ENDED MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
	\$	\$
<b>REVENUE</b>		
Reserve Contribution	12,005	15,015
Interest	16,038	6,244
Less: Market Value Gain (Loss)	<u>5,565</u>	<u>(11,301)</u>
	<u>33,608</u>	<u>9,958</u>
 <b>EXPENDITURES</b>		
Park Lighting	6,081	67,065
Paving Repairs	44,041	-
Professional Fees	-	3,675
Reserve Fund Study	<u>-</u>	<u>3,870</u>
	<u>50,122</u>	<u>74,610</u>
 <b>(DECREASE) DURING THE YEAR</b>	 (16,514)	 (64,652)
 <b>BALANCE, beginning of year</b>	 <u>292,869</u>	 <u>357,521</u>
 <b>BALANCE, end of year</b>	 <u>276,355</u>	 <u>292,869</u>

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
	\$	\$
<b>CASH PROVIDED BY (USED IN):</b>		
<b>Operating Activities:</b>		
<b>Operating Fund</b>		
Excess Of Revenue Over Expenses	12,402	9,870
Changes In Non-Cash Working Capital Items:		
Accounts Receivable	62,328	17,408
Goods And Service Tax Receivable	(1,110)	(2,133)
Prepaid Expenses	(818)	(1)
Accounts Payable And Accrued Liabilities	(2,305)	(475)
Goods And Service Tax Payable	-	(1,745)
Prepaid Fees	<u>(5,532)</u>	<u>(3,908)</u>
	<u>64,965</u>	<u>19,016</u>
<b>Reserve Fund</b>		
Reserve Contribution	12,005	15,015
Interest	21,603	(5,057)
Expenditures	<u>(50,122)</u>	<u>(74,610)</u>
	<u>(16,514)</u>	<u>(64,652)</u>
<b>Investing Activities:</b>		
(Acquisition Of) Cash From Investments	<u>(5,565)</u>	<u>49,575</u>
<b>NET CASH INCREASE DURING THE YEAR</b>	42,886	3,939
<b>CASH, beginning of year</b>	<u>358,992</u>	<u>355,053</u>
<b>CASH, end of year</b>	<u>401,878</u>	<u>358,992</u>

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

**1. INCORPORATION**

Cascades In Royal Oak Residents Association (the "Association") is incorporated under Section 9 of the Companies Act of Alberta as a not-for-profit organization mandated to oversee the care and maintenance of specific common areas within the community. The Association is exempt from income tax under section 149(1)(I) of the Income Tax Act.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The Association has elected to apply the Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Accounting Handbook for Not-For-Profit Organizations.

**Revenue Recognition**

Membership fees, as set by the Board of Directors, are recognized as revenue when they become due.

**Donated Services**

The work of the Officers and members of the Board of Directors is provided on a voluntary basis. The value of donated services is not recognized in these financial statements.

**Fund Accounting**

The Association follows the restricted fund method of accounting for contributions.

**Operating Fund**

The operating fund reports contributions from the members, and the expenses related to operations and administration of the association.

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

**2. CONTINUED**

**Reserve Fund**

The Board of Directors have internally restricted a portion of the annual assessments for a Reserve Fund. The reserve fund reports the contributions from members and expenditures for major repair and replacement cost. Only major repairs and replacements are charged directly to this reserve fund. Minor repairs and replacements are charged to the operating fund. The Association segregates amounts accumulated for the purpose of financing future charges to the reserve fund in special accounts, for use only to finance such charges. Interest earned on these amounts is credited directly to the reserve fund.

**Financial Instruments**

**Measurement Of The Financial Instruments**

The Association initially values its financial assets and liabilities at fair value.

The Association subsequently values all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets valued at amortized cost include cash, investments and accounts receivable.

Financial liabilities valued at amortized cost include accounts payable and accrued liabilities.

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

**2. CONTINUED**

Impairment

Financial assets valued at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be revised to the extent of the impairment, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal, had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Cash And Cash Equivalents

The Association's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

**3. INVESTMENTS**

Investments consist of the following:

	<u>\$</u>
Ishares S&P/TSX, Issued Sep 18, 2014 (Original cost \$29,830.35)	<u>26,190</u>

**4. FINANCIAL INSTRUMENTS**

The Association's financial instruments are cash, accounts receivable, investments and accounts payable and accrued liabilities.

- a) Credit risk - Accounts receivable are due from the members and various individuals and are subject to low credit risk.
- b) Interest rate risk - The cash bears interest at variable market rates. A change in interest would not have a significant effect on cash flow.



**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

**4. CONTINUED**

- c) Liquidity risk - The risk that the Association will not be able to meet its cash requirements as they come due or be able to liquidate its assets in timely manner at reasonable prices.

Liquidity risk is managed by the preparation of annual budgets, raising fees sufficient to pay its annual expenses and to make the required reserve fund contributions on a timely basis, through the use of daily interest bank accounts, earning a return while maintaining liquidity.

**5. CAPITAL DISCLOSURES**

The Association's objective when managing capital is to safeguard its ability to continue as a going concern with sufficient capital to pay monthly operating costs as they come due as well as to fund major repairs from time to time.

The Association's capital is comprised of its operating fund and its reserve fund. In managing its capital, the Association prepares an annual budget of operating costs and repairs with expected funding sources. This budget is approved by the Board of Directors.

The Association also considers as part of the annual budget, the adequacy of the reserve fund which is used to fund major repairs that are required or expected to be required from time to time in the future.

In order to maintain or adjust the capital structure, the Association may increase the assessments or may assess the members special levies.

**CASCADES IN ROYAL OAK RESIDENTS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

**6. LANDS**

The Association owns 5.7 km<sup>2</sup> of common land located in the community of Royal Oak in Calgary, Alberta. The Association manages the land in the phases where development has been fully completed. Where development is still ongoing, the management of these lands is retained by the property developer.

**7. MAJOR COMMITMENTS**

**Management**

The Association has engaged the services of a professional property manager to provide accounting and administrative services at a monthly fee of \$3,071.00 plus GST for a term ending March 31, 2022.

**8. INSURANCE COVERAGE**

The Corporation currently has insurance coverage for the period ending December 1, 2021. The coverage is for Commercial General Liability and Owners and Tenants Liability. No deductibles have been listed on certificate of insurance.

**9. COVID-19**

In March 2020 the COVID-19 virus was declared a global pandemic, and it unfortunately continues to spread rapidly. The COVID-19 outbreak is disrupting employment, supply chains and consumer demand across a broad range of industries and countries. The extent of the impact of COVID-19 on the Corporation's operation and financial performance will depend on certain developments, including the duration and spread of the outbreak and the financial impact on the members, employees and vendors, all of which are uncertain and cannot be predicted. Management is carefully monitoring the situation and evaluating its options during this time. At this point, the extent to which COVID-19 may impact the financial condition or results of operations is uncertain.